

House Study Bill 156

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL BY
CHAIRPERSON GASKILL)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act requiring lessees of certain real estate to file a
2 memorandum of the lease with the county recorder and providing
3 a civil penalty.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 1911HC 83
6 md/sc/14

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1 1 Section 1. NEW SECTION. 428.4A BUILDINGS AND
1 2 IMPROVEMENTS == MEMORANDA OF LEASES RECORDED.
1 3 1. If a lease of real estate is made for the purpose of
1 4 erecting a building or making improvements to the real estate
1 5 by a person other than the owner of the land, as provided in
1 6 section 428.4, a memorandum of the lease shall be filed by the
1 7 lessee with the county recorder not later than sixty days
1 8 after the execution of the lease.
1 9 2. a. A memorandum required to be filed under this
1 10 section shall comply with the document formatting requirements
1 11 of section 331.606B, subsection 1, and shall contain the
1 12 information specified in section 331.606B, subsection 2,
1 13 paragraphs "b" and "h".
1 14 b. This section shall not apply to leases made for the
1 15 purpose of placing a manufactured home or mobile home within a
1 16 manufactured home community or a mobile home park. However,
1 17 this section shall apply to other buildings or improvements
1 18 made on the property by the lessee.
1 19 c. If a lease subject to this section is assigned to
1 20 another person, the assignee shall file a memorandum of such
1 21 assignment with the recorder containing all the information
1 22 required in paragraph "a".
1 23 d. A groundwater hazard statement is not required to be
1 24 presented with a memorandum recorded under this section.
1 25 3. Failure to timely file a memorandum under this section
1 26 shall not invalidate an otherwise valid lease.
1 27 4. A memorandum filed under this section shall be retained
1 28 by the recorder for the duration of the lease or until all
1 29 taxes, as defined in section 445.1, subsection 6, owed by the
1 30 lessee have been paid.
1 31 5. Failure of a lessee to file a memorandum as required
1 32 under this section is punishable by a civil penalty not to
1 33 exceed seven hundred fifty dollars. The recorder shall
1 34 forward to the city attorney or county attorney, as
1 35 applicable, of the assessing jurisdiction where the real
2 1 estate is located a copy of each memorandum recorded more than
2 2 sixty days from the date the lease was executed. The city
2 3 attorney or county attorney shall initiate action in the
2 4 district court to enforce provisions of this section. Civil
2 5 penalties collected pursuant to this subsection shall be
2 6 deposited in the general fund of the city or county, as
2 7 appropriate.
2 8 Sec. 2. Section 331.602, Code 2009, is amended by adding
2 9 the following new subsection:
2 10 NEW SUBSECTION. 39A. Notwithstanding the recording
2 11 requirements of 331.606B, record all memoranda required to be
2 12 filed under section 428.4A, and make such memorandum
2 13 information available to all other county or city officials
2 14 upon request.

EXPLANATION

2 15 This bill requires that if a lease of real estate is made
2 16 for the purpose of erecting a building or making improvements
2 17

2 18 to the real estate by a person other than the owner of the
2 19 land, memorandum of the lease shall be filed by the lessee
2 20 with the county recorder not later than 60 days after the
2 21 execution of the lease. The bill provides that each
2 22 memorandum filed shall include the name and address of the
2 23 taxpayer, the legal description of the property, and the
2 24 parcel identification number.

2 25 The bill provides that a memorandum filed with the recorder
2 26 shall be retained by the recorder for the duration of the
2 27 lease or until all taxes owed by the lessee have been paid.

2 28 The bill provides that the failure of a lessee to file a
2 29 memorandum as required under the bill is punishable by a civil
2 30 penalty not to exceed \$750. The bill provides that civil
2 31 penalties collected shall be deposited in the appropriate city
2 32 or county general fund.

2 33 LSB 1911HC 83

2 34 md/sc/14